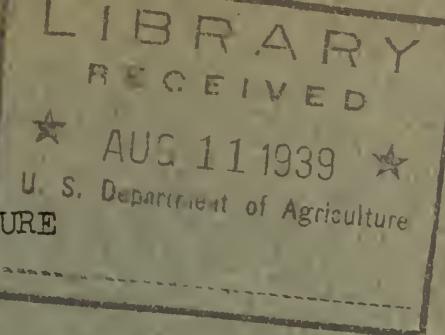


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UNITED STATES DEPARTMENT OF AGRICULTURE
SOIL CONSERVATION SERVICE
Region Eight
Albuquerque, New Mexico



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ON THE
NAVAJO RESERVATION

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It is worth nothing at the outset that the Navajo Reservation is not an economic unit and that any attempt intelligently to discuss the economic importance of various types of activities on a reservation basis is not possible. Variations in the relative importance of various forms of income are sufficiently numerous and sufficiently important to invalidate any results that such a method would produce.

Nor can income be primarily understood in terms of cash. Much income is not susceptible to conversion into cash. Corn which habitually is not sold does not have a cash value. A further limitation upon classification of income results from the fact that categories are seldom rigid. To be explicit, if a weaver sold 100 blankets at \$7 her income would be \$700. This, however, cannot be taken to mean that her income from weaving was \$700. Part of that income may be considered to come from sheep raising because the wool that went into the blankets might have been sold as wool and would have returned 16 or 17 cents a pound. Likewise, hay may be classified as income derived from agriculture, but if it is used as cattle feed it is likely to be counted twice in calculating the income from the cattle.

This paper proposes to make two assumptions. First, that the best available means of measuring income from products which

are exchanged for other commodities is by an analysis of the amount of trade at a trading center which is secured by specific types of products. That is to say, that if a trader's volume of business is \$50,000 annually an analysis of the proportions of that \$50,000 of trade which were made possible by particular types of economic activity will furnish the best index of the relative importance of various types of income.

The second assumption is that there is an important difference between products produced for sale or exchange and products which, though an important type of income, never find their way to the market.

In the Tolani Lakes area, which represents the sphere of influence of one trading post, a total volume of business of \$20,000 was transacted in 1935. This is to say that roughly 350 Navajos in the period of one year were enabled to purchase \$20,000 worth of traders' merchandise. They were enabled to purchase this because of the following activities and in the following approximate amounts.

1.	Wage work	\$8,000
2.	Sale of sheep, goats & wool	6,000
3.	Sale of blankets	4,000
4.	Sale of corn and hay	700
5.	Sale of cattle	200
6.	Sale of pelts and hides - (an undetermined but small sum)	

This, however, represents only a portion of the income the Navajo derives from his activity. Sheep and goats are consumed for food. In what amounts is unknown. Cattle supply food,

rawhide for moccasins. Sheep, goats and cattle may and sometimes do supply milk and cheese. A considerable amount of agricultural produce never reaches the market but is directly consumed.

The income of the Navajo is swelled by various collecting activities by which he gains fuel and food in the form of pinion nuts, yucca fruit, and mustard seed. Medicinal roots must also be considered as income derived from collecting. In short, the Navajo's income is augmented by numerous non-commercial activities which broaden his basis of subsistence.

A rating list of the importance of various Navajo activities at the present time as a source of income for the group at Tolani Lakes would approximate some such scale as follows:

1. Wage work
2. Sheep and goats
3. Cattle and horses
4. Agriculture
5. Various types of craftsmanship such as weaving and moccasin making.
6. Collecting (fuel, pinon nuts, herbs, etc)
7. Direct relief and reimbursable loans.

There is an eighth means by which individual income is produced, but considered within the Navajo economy its results is no increased material productivity. Medicine men are well paid. However, the income of the medicine man comes about as the result of a service which gives him a certain claim upon the income of the group. That is to say, that the income accruing to the medicine man is the same income which has already been included in other

income categories and is actually a type of expenditure of already accounted for income. It operates to exchange goods for services within the group.

Considering each of the major forms of income, a few additional remarks are in place.

1. Wage work is not a permanent Navajo resource. It is however, over almost all of the reservation the most significant form of income at the present time. The amount of trade made possible by wage work at Tolani Lakes is approximately 40% of all trade at the trading post. This is generally considered to be relatively low. The amount of trade secured by wage work at Chin Lee is estimated at 70% per cent of all trade at the store.

2. The importance of sheep and goats as an income producing activity is subject to wide variation from area to area. In the Tolani Lakes area it is quite important. It is relatively insignificant in the Canyon de Chelly and the Del Muerto area. It is subject to additional variation due to any stock reduction program which might become effective and which would tend to distribute the income from sheep and goats unevenly over a period of time by concentrating on the sale of sheep and goats at present.

3. What has been said above is generally applicable to cattle and horses.

4. Agriculture as a source of income varies widely from area to area. A program of agricultural development on the Navajo

Reservation may offer an income substitute for the possible loss in income resulting from stock reduction. Much of the efficacy of this program will depend upon the manner in which the agricultural products are disposed of. As a program of non-commercial agriculture under which products raised will be used it will be income producing. As a program of commercial agriculture this is by no means assured. It is in the nature of the exchange upon which commercial agriculture depends that it operates within a national price structure. Under these circumstances Navajo income from this source will be dependent upon the operation of remote and complex factors.

5. Craftsmanship which may be taken to include weaving, silver work, and moccasin making, as a form of income, has a broad distribution within which there is extensive variation. Silversmiths tend to concentrate along the railroad where the tourist trade provides a fairly rapid turnover for the products of the silversmith. It has been noted that under these circumstances the silversmith tends to become a wage worker. A tendency towards the decrease in the production of blankets has been noticed in a corralary to the increase in income from wage work. This indicates the competitive aspect existing among various types of income-producing activities.

6. Collecting forms an important and almost entirely non-commercial source of income which is entirely unmeasurable in terms

of cash. One of the essential characteristics of money is the utility of accumulating it with no limit set. Human needs tend to limit the amount of fuel, herbs, etc., which are profitable to accumulate. Beyond a certain point, an increase in the amount of fuel collected may become a disutility rather than a utility.

7. Direct relief as a form of income requires no particular comment. Reimbursable loans in theory supplied only the opportunity for increased income, but in effect must be considered to have increased income by the amount of the reimbursable loans.

